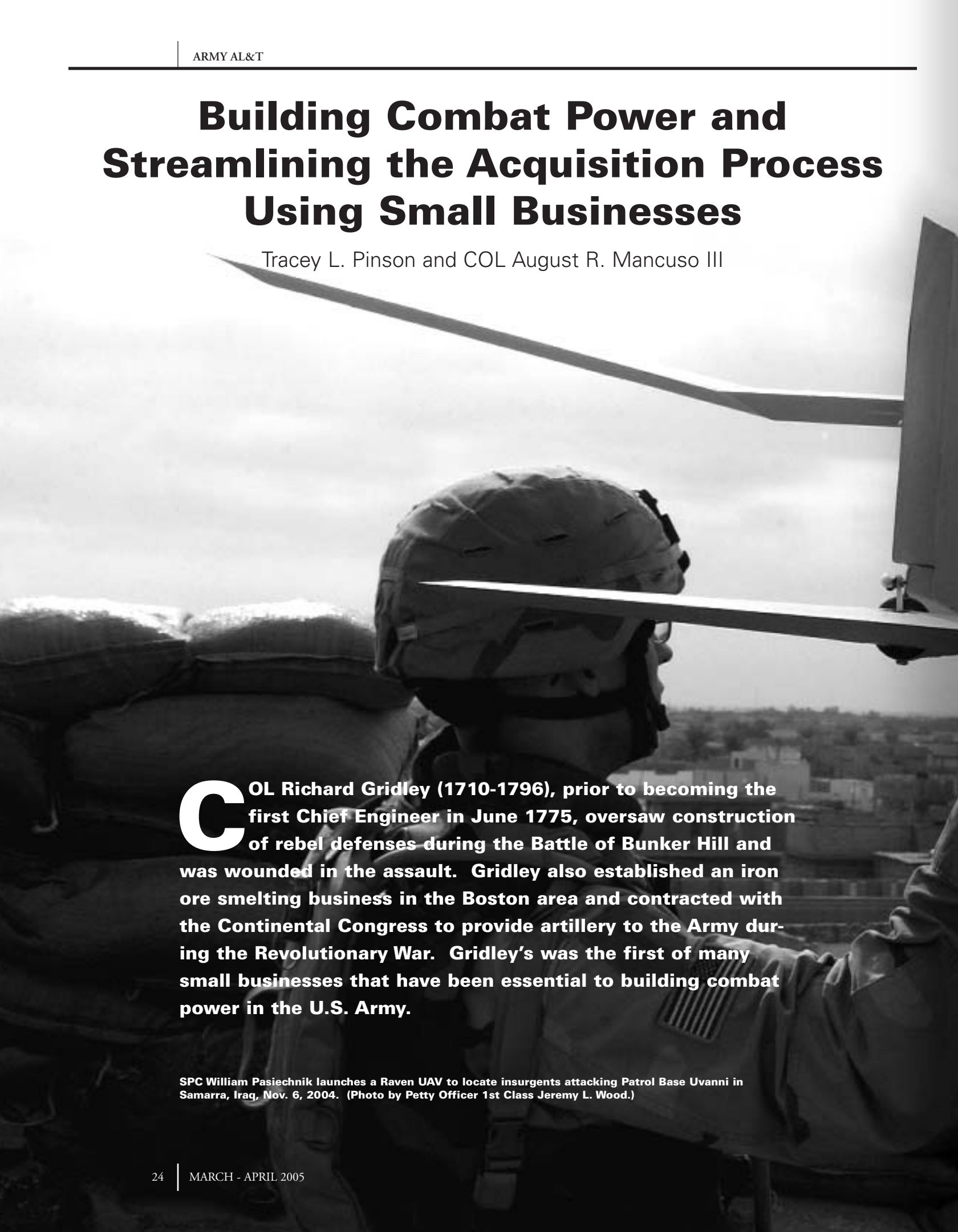


Building Combat Power and Streamlining the Acquisition Process Using Small Businesses

Tracey L. Pinson and COL August R. Mancuso III



COL Richard Gridley (1710-1796), prior to becoming the first Chief Engineer in June 1775, oversaw construction of rebel defenses during the Battle of Bunker Hill and was wounded in the assault. Gridley also established an iron ore smelting business in the Boston area and contracted with the Continental Congress to provide artillery to the Army during the Revolutionary War. Gridley's was the first of many small businesses that have been essential to building combat power in the U.S. Army.

SPC William Pasiechnik launches a Raven UAV to locate insurgents attacking Patrol Base Uvanni in Samarra, Iraq, Nov. 6, 2004. (Photo by Petty Officer 1st Class Jeremy L. Wood.)

Today, 28 percent of all Army U.S.-contracted dollars are awarded to small businesses. The Army research, development, test and evaluation dollars awarded to small businesses equate to 19.3 percent of all research and development dollars expended. Small businesses provide the most revolutionary changes in technology used on the battlefield today and they represent the best value to the Army in providing services to the Soldier — from human resource management to the Rapid Fielding Initiative (RFI). This article demonstrates by example and technique how to make the best use of small businesses and small business programs to enhance combat power in both support and direct combat missions.

In Iraq, a large part of the mission to transport, collect and demilitarize captured enemy ammunition (CEA) is being performed by small businesses. The contracts are worth more than \$1.2 billion, and small businesses have successfully performed more than 50 percent of the work to date. They provide transportation from cache to collection site and from collection site to demolition site, as well as collecting, storing, securing, inventorying and managing approximately 200 tons per day per site. The program safely disposes approximately 100 tons per day per site. Small businesses are also providing life support, security, equipment, vehicles and labor to support CEA processing.

In Iraq, the Defense Ammunition Center identified a need for a new device

to sort and inspect 5.56mm, 7.62mm, 9mm, .45- and .50-caliber ammo. Using a Small Business Innovation Research (SBIR) Program Phase II contract awarded at the U.S. Army Armament Research, Development and Engineering Center, Picatinny Arsenal, NJ, a small business developed the Projectile Identification System (PIDS), which sorts the ammunition at 12,500 rounds per hour. PIDS is in Camp Arifjan, Kuwait, today.

In Afghanistan, Special Operations Forces needed a simple-to-use, relatively inexpensive unmanned aerial vehicle (UAV). This UAV was developed by a small business using the Advanced Concept Technology Demonstration (ACTD) Program conducted by the U.S. Army, U.S. Special Operations Command and Natick Laboratory. The hand-launched Raven put UAV capabilities into the hands of Special Operations Forces teams. The Raven is also being used in Iraq.

These are just a few examples of combat and combat support capabilities that small businesses provide quickly. In addition to the programs already identified (SBIR and ACTD), there are many other programs, some specifically for small businesses, that you can use to get to a solution for your mission need without the customary bureaucratic procedures inherent in the normal contracting and program management processes.

If you are a program manager (PM), you already know that your program is

“taxed” to provide funding for the SBIR Program. This program is designed to provide Army laboratories and research, development and engineering centers with a means to leverage the support of small high-technology companies to meet the Army’s critical needs. A key metric to assist PMs in determining if their program is making the maximum use of the SBIR Program should be SBIR contract dollars supporting their program divided by dollars taxed for SBIR. The labs and centers develop topics, recommend funding proposals and execute projects. You will need to work closely with them.

To learn how to improve SBIR support for your program, visit the U.S. Army Research Office-Washington’s Army SBIR Program Web site (<http://www.aro.army.mil/arowash/rt/sbir/sbir.htm>). You may also contact the SBIR Program staff who will provide personal assistance in helping your program get its money’s worth. For the Army Corps of Engineers, go to <http://www.hq.usace.army.mil/hqsb/index.htm> and click on **Program Management**.

But SBIR is not the only way to get promising technology to the troops quickly. Section 8(a) of the *Small Business Act* (15 U.S.C. 637(a)) established a program that authorizes the Small Business Administration (SBA) to enter into all types of contracts with other agencies and subcontract the work to small business firms eligible for program participation. These contractors are referred to as “8(a) contractors.” Because DOD has negotiated a Memorandum of Agreement with the SBA, DOD agencies can contract directly with 8(a) contractors. Contracts may be awarded to an eligible 8(a) firm on either a sole-source or competitive basis. What this means to

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Small businesses continue to provide cutting-edge technology and evolutionary manufacturing process innovations for the Army. (U.S. Army photo.)

you as an acquisition manager is that if you have a requirement that is \$3 million or under, you have great flexibility to find (http://dsbs.sba.gov/pro-net/dsp_dsbs.cfm) and select one of these small businesses to assist your program. You can develop a continuing relationship with that business through project completion even if it requires several years to complete. Your command's small business specialist will support you by working with the SBA to find potential 8(a) contractors if you don't already have one in mind, and will assist you to make maximum use of the program to accomplish your mission.

Yet another small business tool available, especially for those 8(a) contractors who have graduated from the program, is the Army's Mentor Protégé Program (go to http://www.sellingtoarmy.com/program_default.asp?ID=22). With this program, which the Army's Small and Disadvantaged Business Utilization (SADBU) Office funds and manages, your graduated 8(a) contractor might be able to continue working your requirement and train a successor by being a mentor to a protégé 8(a) contractor. You can also use this program to encourage a large business to enlist the support of a small business with a promising technology, but which may require technical assistance to develop further expertise.

Working with industry to form teams is a powerful tool to solve complex and difficult program

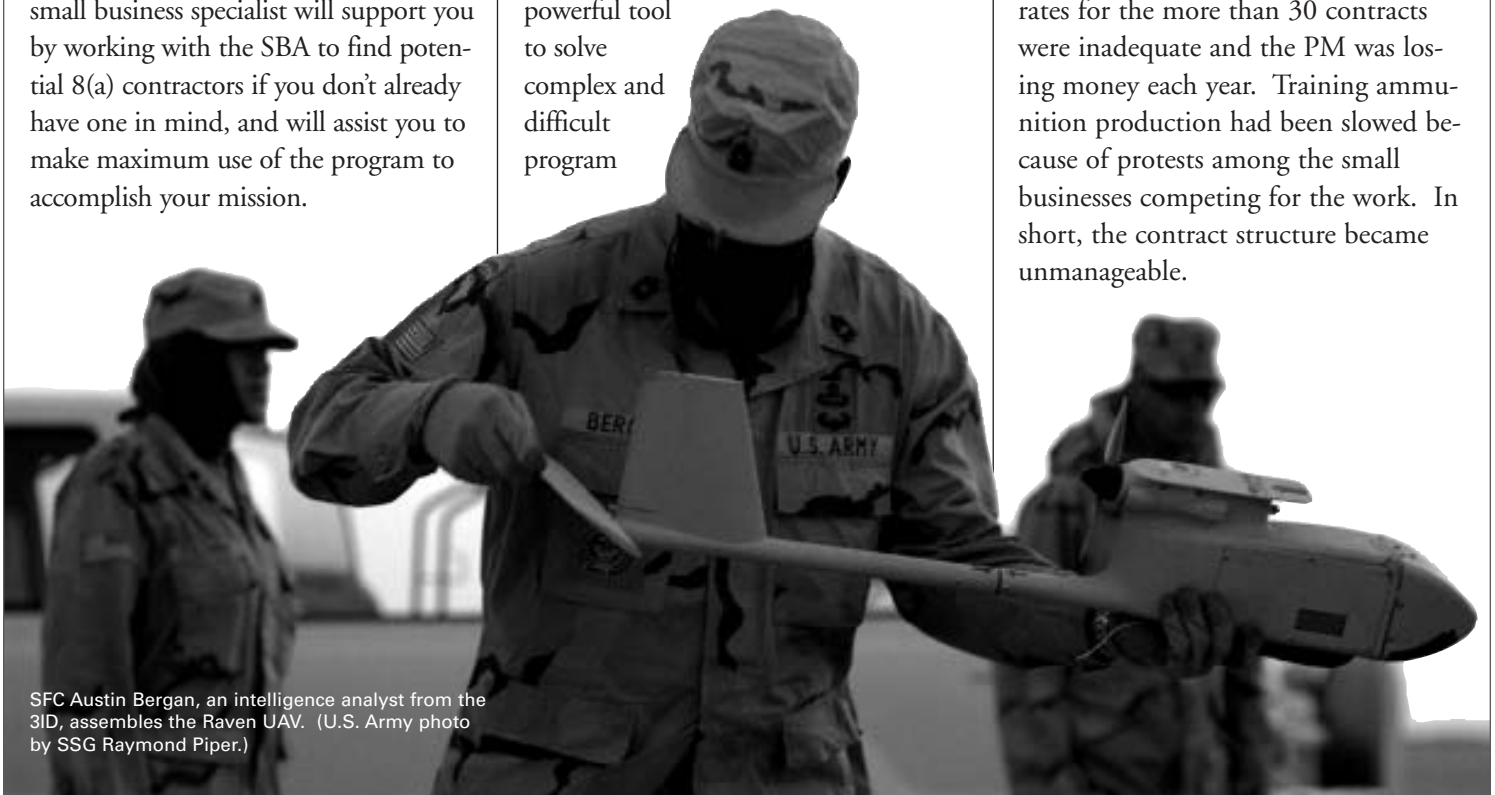
problems. Especially in the manufacturing arena, small businesses and teams of small businesses can be used to create competition to escape sole-source situations with large businesses. Small

businesses can indeed handle very large programs up to and including \$1 billion or more.

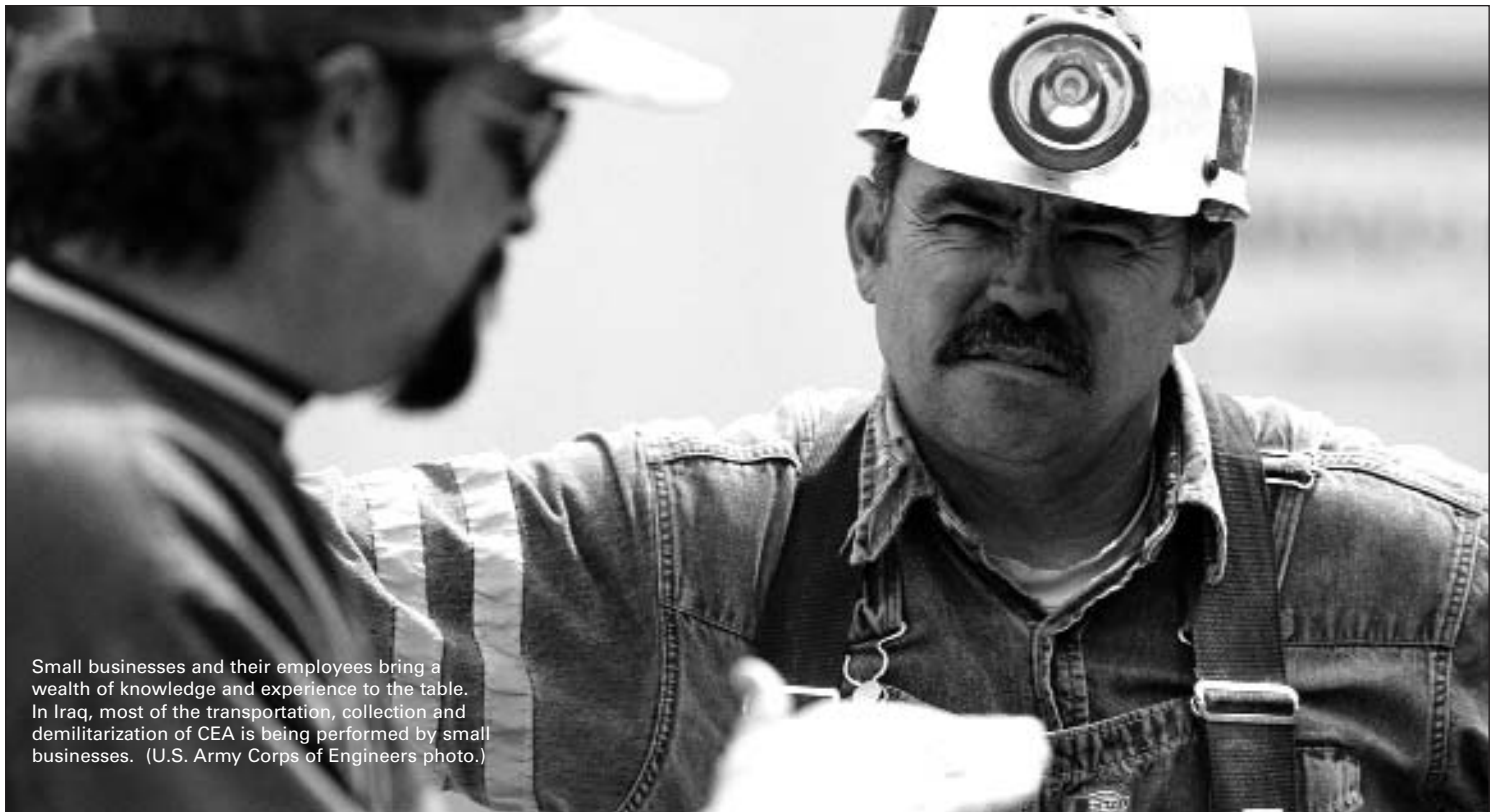
In July 2003, the PM Maneuver Ammunition Systems (MAS) met with the U.S. Army Materiel Command Associate Director for Small Business, the Small Business Specialist for the Army Field Support Command (AFSC) and the DA SADBU Executive Officer, to map out a strategy for consolidating the more than 30 contracts used to produce the Army's 40mm ammunition requirements. This consolidation was necessary because obligation

rates for the more than 30 contracts were inadequate and the PM was losing money each year. Training ammunition production had been slowed because of protests among the small businesses competing for the work. In short, the contract structure became unmanageable.

Working with service-disabled veterans is a patriotic thing and a wise choice. Service Disabled Veteran Owned Small Businesses (SDVOSB) possess a wealth of DOD experience and bring dedication and a genuine caring for Soldiers.



SFC Austin Bergan, an intelligence analyst from the 3ID, assembles the Raven UAV. (U.S. Army photo by SSG Raymond Piper.)



Small businesses and their employees bring a wealth of knowledge and experience to the table. In Iraq, most of the transportation, collection and demilitarization of CEA is being performed by small businesses. (U.S. Army Corps of Engineers photo.)

The PM MAS and the AFSC Small Business Office agreed to work with industry and SBA to create a solution that would streamline the contracts while ensuring that small businesses would be the prime integrators. The final approved acquisition strategy is a small business set-aside with multiple awards for the family of six 40mm cartridges (systems buy) and a competitive 8(a) solicitation with multiple awards for the M918 and M385 projectile assemblies. The systems contractors will be responsible for delivering all six cartridges. Total estimated cost for these six cartridges is more than \$1 billion for the base year, plus 4 option years.

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services and are part of the RFI. Both services are, in fact, being provided in part by SDVOSBs. The choice is clear. You can work with a larger business run by a "professional manager" who may not have any personal experience or understanding of the unique needs of Soldiers defending our Nation, or you can work with an SDVOSB that is run by a veteran who will apply personal expertise gained from prior military service and is someone who understands what Soldiers need and is committed to providing that support.

The way to maximize your combat power and provide superior service support to our warfighters is by making maximum use of small business programs to reduce acquisition leadtime. This is best accomplished by involving your small business specialist early in the process while you are still considering an acquisition strategy. Make sure that you and your contracting folks do thorough market research. Small business specialists are valuable resources and are appointed to assist you and the

contracting personnel to develop a small business solution for your requirements. It's not just the right thing to do, it's the smart thing to do.

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